

**Division of Workforce Solutions
Policies and Procedures
Advance Spending Authority with an Option for Early Reimbursement
For W-2 and Related Programs Contracts**

Introduction

DWS allows advance spending to occur in the W-2 and Related Programs Contract in order for a new W-2 Contract Agency or a newly formed W-2 consortium to begin contract implementation prior to the start of the contract period. DWS requires that the funding is used for the contract period for which it is issued. Preparatory costs that are not related to and so could not be legitimately covered by the current program contract must be reported for the new contract period. Contract funds may be used for expenses incurred prior to the start of a contract period with approval from the Department.

Related Contract Section

Early Spending with Approved Transition Plan: If the W-2 Contract Agency is making a transition into a geographic area that was previously served by a different W-2 Contract Agency, the W-2 Contract Agency may receive reimbursement for funds spent before the beginning date of the contract period, to the extent that the funds are spent after the Department has approved the W-2 Contract Agency's transition plan and the item(s) is approved for advance spending.

Conditions/Requirements for Advance Spending

The conditions/requirements of advance spending are as follows:

- Upon request by the agency, DWS will review advance spending needs of an agency prior to contract signature and advise on allowability;
- Requests for advance spending are required to have full documentation and explanation per Division procedures;
- Final approval of advance expenditures will not be provided by DWS prior to receipt of a signed W-2 and Related Programs Contract; and
- On a case-by-case basis, after receipt of a signed contract, DWS may approve allowable advance costs incurred by the agency prior to contract signature.

Procedure to Request Advance Spending Authority

Requests for advance spending should follow the path detailed below.

1. W-2 Contract Agency

- Complete the Request for Authority for Advance Spending form and submit to Regional Administrator.

2. Regional Administrator

- Review, discuss with agency as appropriate, involve other DWS and DWD staff as appropriate, and approve/disapprove request(s). Send the completed form to the Director of the Bureau of Wisconsin Works (W-2).

3. Director of the Bureau of Wisconsin Works (W-2)

- Review, approve/disapprove request(s) and submit approved requests to the W-2 Accountant in DWS/BDS.

Procedures to Claim Early Reimbursement for Advance Spending

Claims will not be paid prior to the start of the contract period for which the funds are issued.

1. W-2 Contract Agency

- Complete the Early Reimbursement for Advance Spending form.
- Code to appropriate CORE Program Code from the W-2 and Related Programs Contract
- Submit to: W-2 Accountant in DWS/BDS, GEF 1, P.O. Box 7972, Madison, WI 53707.
- If the claim is received by January 15th an ACH payment will be issued in January
- All approved expenses incurred prior to January 1st must be reported on the January Expenditure Report form. CORE will deduct the early reimbursement for advance spending from the January reimbursement.

2. Contracts Section Accountant

- Check claims against Regional Administrator approvals.
- Authorize payment of claims received by January 15th for immediate payment.